

AMENDED IN ASSEMBLY MAY 8, 2014

AMENDED IN ASSEMBLY APRIL 23, 2014

AMENDED IN ASSEMBLY APRIL 7, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2540**

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**Introduced by Assembly Member Dababneh**

February 21, 2014

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An act to amend Sections 10150, 10151, and 10162 of the Business and Professions Code, relating to real estate.

LEGISLATIVE COUNSEL’S DIGEST

AB 2540, as amended, Dababneh. Real estate licenses.

(1) Under the Real Estate Law, the California Bureau of Real Estate, which is headed by the Real Estate Commissioner, issues licenses to and regulates real estate brokers and real estate salespersons. Existing law authorizes the commissioner to prescribe the format and content of the written applications for the real estate broker examination, broker license, and salesperson examination.

This bill would authorize the commissioner to additionally prescribe the format and content of the application for the real estate salesperson license, and would require that each of those applications for an examination or license, or both, require the applicant to provide ~~a valid email address and telephone number~~ *valid contact information* at which the bureau may contact the applicant.

(2) Existing law requires every licensed real estate broker to have and maintain a definite place of business in the state that serves as his or her office for the transaction of business, displays his or her license, and where he or she holds personal consultations with a client. Any

person, including officers, directors, agents, or employees of corporations, who willfully violate or knowingly participate in the violation of these provisions is guilty of a misdemeanor punishable by a fine not exceeding \$10,000, or by imprisonment in the county jail not exceeding 6 months, or by both that fine and imprisonment.

This bill would require every real estate broker and salesperson licensee to provide the commissioner with his or her current office or mailing address, current telephone number, and current email address that he or she uses to perform any activity that requires a real estate license, and at which the bureau may contact the licensee, and to update that information no later than 30 days after making a change. Because a violation of these requirements would be a crime, the bill would impose a state-mandated local program.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 10150 of the Business and Professions  
2     Code is amended to read:  
3     10150. (a) Application for the real estate broker license  
4     examination shall be made in writing to the commissioner. The  
5     commissioner may prescribe the format and content of the broker  
6     examination application. The application for the broker  
7     examination shall ~~require an applicant to provide a valid email~~  
8     ~~address and telephone number~~ *include valid contact information*  
9     at which the bureau may contact the applicant and shall be  
10    accompanied by the real estate broker license examination fee.  
11    (b) Persons who have been notified by the commissioner that  
12    they passed the real estate broker license examination may apply  
13    for a real estate broker license. A person applying for the broker  
14    examination may also apply for a real estate broker license.  
15    However, a license shall not be issued until the applicant passes  
16    the real estate broker license examination. If there is any change  
17    to the information contained in a real estate broker license

1 application after the application has been submitted and before the  
2 license has been issued, the commissioner may require the applicant  
3 to submit a supplement to the application listing the changed  
4 information.

5 (c) Application for the real estate broker license shall be made  
6 in writing to the commissioner. The commissioner may prescribe  
7 the format and content of the broker license application. The  
8 application for the real estate broker license shall ~~require an~~  
9 ~~applicant to provide a valid email address and telephone number~~  
10 *include valid contact information* at which the bureau may contact  
11 the applicant and shall be accompanied by the appropriate fee.

12 (d) Application for an endorsement to act as a mortgage loan  
13 originator, as defined in Section 10166.01, shall be made either  
14 electronically or in writing as directed by the commissioner. The  
15 commissioner may prescribe the format and content of the  
16 mortgage loan originator endorsement application, which shall  
17 meet the minimum requirements for licensing of a mortgage loan  
18 originator, pursuant to the Secure and Fair Enforcement for  
19 Mortgage Licensing Act of 2008 (Public Law 110-289).

20 SEC. 2. Section 10151 of the Business and Professions Code  
21 is amended to read:

22 10151. (a) Application for the real estate salesperson license  
23 examination shall be made in writing to the commissioner. The  
24 commissioner may prescribe the format and content of the  
25 salesperson examination application. The application for the  
26 salesperson examination shall ~~require an applicant to provide a~~  
27 ~~valid email address and telephone number~~ *include valid contact*  
28 *information* at which the bureau may contact the applicant and  
29 shall be accompanied by the real estate salesperson license  
30 examination fee.

31 (b) Persons who have been notified by the commissioner that  
32 they passed the real estate salesperson license examination may  
33 apply for a real estate salesperson license. A person applying for  
34 the salesperson examination may also apply for a real estate  
35 salesperson license. However, a license shall not be issued until  
36 the applicant passes the real estate salesperson license examination.  
37 If there is any change to the information contained in a real estate  
38 salesperson license application after the application has been  
39 submitted and before the license has been issued, the commissioner

1 may require the applicant to submit a supplement to the application  
2 listing the changed information.

3 (c) (1) The commissioner may prescribe the format and content  
4 of the real estate salesperson license application. The application  
5 for the real estate salesperson license shall ~~require the applicant~~  
6 ~~to provide a valid email address and telephone number~~ *include*  
7 *valid contact information* at which the bureau may contact the  
8 applicant.

9 (2) An application for the real estate salesperson license  
10 examination or for both the examination and license that is received  
11 by the commissioner on or after October 1, 2007, shall include  
12 evidence or certification, satisfactory to the commissioner, of  
13 successful completion at an accredited institution of a  
14 three-semester unit course, or the quarter equivalent thereof, or  
15 successful completion of an equivalent course of study as defined  
16 in Section 10153.5; in real estate principles as well as the successful  
17 completion at an accredited institution of a course in real estate  
18 practice and one additional course set forth in Section 10153.2,  
19 other than real estate principles, real estate practice, advanced legal  
20 aspects of real estate, advanced real estate finance, or advanced  
21 real estate appraisal. The applicant shall provide this evidence or  
22 certification to the commissioner prior to taking the real estate  
23 salesperson license examination.

24 (d) The commissioner shall waive the requirements of this  
25 section for the following applicants:

26 (1) An applicant who is a member of the State Bar of California.

27 (2) An applicant who has qualified to take the examination for  
28 an original real estate broker license by satisfying the requirements  
29 of Section 10153.2.

30 (e) Application for endorsement to act as a mortgage loan  
31 originator, as defined in Section 10166.01, shall be made either  
32 electronically or in writing as directed by the commissioner. The  
33 commissioner may prescribe the format and the content of the  
34 mortgage loan originator endorsement application, which shall  
35 meet the minimum requirements for licensing of a mortgage loan  
36 originator, pursuant to the Secure and Fair Enforcement for  
37 Mortgage Licensing Act of 2008 (Public Law 110-289).

38 SEC. 3. Section 10162 of the Business and Professions Code  
39 is amended to read:

1     10162. (a) Every licensed real estate broker shall have and  
2 maintain a definite place of business in the State of California that  
3 serves as his or her office for the transaction of business. This  
4 office shall be the place where his or her license is displayed and  
5 where personal consultations with clients are held.

6     (b) A real estate license does not authorize the licensee to do  
7 business except from the location stipulated in the real estate  
8 license as issued or as altered pursuant to Section 10161.8.

9     (c) (1) Every real estate broker and salesperson licensee shall  
10 provide to the commissioner his or her current office or mailing  
11 address, a current telephone number, and a current email address  
12 that he or she maintains or uses to perform any activity that requires  
13 a real estate license, at which the bureau may contact the licensee.

14     (2) Every real estate broker and salesperson licensee shall inform  
15 the commissioner of any change to his or her office or mailing  
16 address, telephone number, or email address no later than 30 days  
17 after making the change.

18     SEC. 4. No reimbursement is required by this act pursuant to  
19 Section 6 of Article XIII B of the California Constitution because  
20 the only costs that may be incurred by a local agency or school  
21 district will be incurred because this act creates a new crime or  
22 infraction, eliminates a crime or infraction, or changes the penalty  
23 for a crime or infraction, within the meaning of Section 17556 of  
24 the Government Code, or changes the definition of a crime within  
25 the meaning of Section 6 of Article XIII B of the California  
26 Constitution.